

## Four Leaders Named To DTC Hall of Fame

DTC Perspectives launched the Hall of Fame for DTC marketers in October with a ceremony during which four of the early pioneers and leaders in direct-to-consumer marketing received this honor in its inaugural year.

A special reception and presentation ceremony was held in late October to honor the first four members of the DTC Hall of Fame – Len Tacconi and Ed Slaughter, both of Merck & Co.; Matt Giegerich of CommonHealth, and Jim Davidson, an attorney with the Washington-based Polsinelli. (Profiles of the four executives appear on the following pages of this issue).

The new DTC Hall of Fame award was created to recognize the individuals who have made significant contributions to advancing direct-to-consumer marketing. “DTC marketing has been practiced for more than a decade and has grown to become an important component of the industry’s success,” Bob Ehrlich, chairman of DTC Perspectives, said. “It is important to recognize individuals who have shaped DTC advertising and contributed to the communication of healthcare information directly to patients.”

The 2008 inductees were among a large group of marketing executives nominated in July and August, and then reviewed by the DTC Perspectives’ Advisory Board. To be nominated, an executive must have a minimum of five years experience in healthcare marketing (and may still hold an active position with a pharmaceutical, media or ad agency company). Each year, up to five new members will be named to the Hall of Fame. The event will be held in conjunction with the DTC Perspectives’ fall conference series.

In 2008, the first Hall of Fame event – which was held in conjunction with the DTC Perspectives’ fall conference, “DTC in the Era of Consumer Choice” – was highlighted by the remarks and anecdotes by the four inductees who noted highlights from their early efforts in consumer marketing as well as personal views on the continuing evolution of consumer marketing.



Jim Joseph of Saatchi & Saatchi and Denise Campbell of AstraZeneca await the start of the first DTC Hall of Fame awards event.



The Merck team at the Hall of Fame event (from left): Grif Bates, Matthew Arm and Barry Jackson.



Dale Taylor of AbelsonTaylor, Andy Hibbler of WebMD (center) and Ann Mohamadi of Saatchi & Saatchi take a moment to network during the DTC Hall of Fame cocktail party.



Jill Serbousek of Medtronic, Rich Hirsch (center) and Dave Dolton, both of Healthmonitor Network, mingling prior to the DTC Hall of Fame event.



Tom Delaney of CBS (left) and conference speaker Mike Bloxham of Ball State University discuss the changing media landscape.



The **brightest lights** lead the way.



Polsinelli congratulates **Jim Davidson** for receiving one of the first annual DTC Hall of Fame Awards. As a shareholder, Jim's unwavering dedication, rich

talent, deep knowledge and wise insights bring a clear focus to the practice of public policy making. This accomplishment is a testament to his outstanding leadership and guidance – both qualities of the brightest in our field.

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# Staying on Top of DTC Issues in Washington

There are plenty of new faces in Washington as President-elect Obama prepares to take office in January, but the battle lines for the pharmaceutical industry are still centered on the protection of DTC advertising. DTC Hall of Fame inductee Jim Davidson is preparing for a challenging year ahead.

By DTC Perspectives staff

Jim Davidson, a longtime advocate in Washington for advertisers and media companies, is facing what looks to be a difficult year in 2009 for the pharmaceutical industry. With a change of the guard in the White House, and also among the leadership of some key committees in the House, it will be a new field of play in Washington come January. (For more details on how recent appointments by President-elect Barack Obama may impact pharmaceutical companies, turn to Davidson's "Eye on the Hill" report, which begins on page 58 of this issue).

So there may be some new faces in town, but the battle lines are not changing. And Davidson has proven to be an excellent advocate for the industry over the past decade. Indeed, he played a key role in warding off restrictions on direct-to-consumer advertising of prescription drugs that were favored by some powerful legislators in 2007. At that time, there seemed to be a consensus building on Capitol Hill for a moratorium on advertising of newly approved drugs, but this was turned back thanks to the efforts of advertising advocates and media companies who proposed compromises on advertising review and civil penalties as alternatives to the proposed moratorium.

The legislators lining up on the side of the moratorium in 2007 included Sen. Edward Kennedy (D-Mass.), Sen. Mike Enzi (R-Wyo.) and, in the House, Rep. Henry Waxman (D-Calif.). Advertising advocates were able to pull together a diverse group of First Amendment supporters in the House and Senate that enabled the industry to hold off the onerous restrictions proposed for DTC – at least for 2007-2008. (In addition to the moratorium, some of the proposed restrictions back in 2007 included FDA pre-approval of consumer advertising for Rx drugs, as well as warning labels or symbols added to the labeling of all new products).



JIM DAVIDSON

For leading these efforts to protect the rights of DTC marketers, and for his work on industry issues since the late 1980s, Davidson was selected by industry leaders and DTC Perspectives as an inaugural member of the DTC Hall of Fame. He was presented this award in October at the DTC Perspectives' fall conference, "DTC in the Era of Consumer Choice."

### Friends in high places

While the battle to protect DTC advertising looks to be difficult in 2009, Davidson has an important advantage in that he knows many of the key players from his years on The Hill. In fact, he has a number of former colleagues in the top ranks of the new administration of President-elect Obama. He hired John Podesta (who is now a co-chairman of the Obama transition team) as a deputy counsel back in the early 1980s while working for Sen. John Culver (D-Iowa). Podesta later went on to become chief of staff for President Clinton. Davidson also worked closely with Supreme Court Justice Stephen Breyer, who was Sen. Kennedy's chief of staff at that time.

These are relationships that he had developed over a long career in Washington. A University of Missouri journalism and law graduate, Davidson has spent more than 30 years working in Washington, after getting a start in government work in Missouri. His first job on Capitol Hill was as press secretary to Sen. Stuart Symington, a Democrat from Missouri. He later became the staff director and chief counsel for a Governmental Affairs subcommittee chaired by former Senator Edmund S. Muskie (D-ME), and finally chief counsel and staff director for the Judiciary subcommittee on



Administrative Practice and Procedure in the Senate. He helped draft the federal Privacy Act, the Sunshine Act and various amendments to the Freedom of Information Act. He also worked on the rule that led to the creation of the Senate Select Committee on Intelligence.

In 1979, the office of Sen. John Culver of Iowa sought out Davidson to become head of the senator's subcommittee (under the Judiciary Committee) on administrative practice and procedure. (Working for Culver proved to be a smart decision, as noted above, in that it helped Davidson become closer with Sen. Kennedy and his staffers. Culver and Kennedy were roommates and teammates while students at Harvard).



Paul Silverman of Novartis presents Jim Davidson of Polsinelli with his award for the DTC Hall of Fame.

It was almost 10 years later in 1986 that Davidson departed the Senate to establish his own Washington firm, Davidson & Company which became closely associated over the next few years with advertising issues. Davidson used his work with

advertisers as a springboard to creating The Advertising Coalition, a consortium of media companies, advertising groups and publishers that set out to fight any efforts to tax advertising spend in major media channels. This battle against an ad-tax continues to this day, and was recently reignited with Rep. Rahm Emanuel (D-Ill.) suggested that pharmaceutical companies would have to choose between either taking advertising spending or research and development investment as a business expense, but not both. (Emanuel, after making this pronouncement in a meeting with an advertising group in September, was called upon by President-elect Barack Obama to become his new chief of staff).

### Change in House committee leadership

One of the first challenges Davidson will confront in 2009 will be the change in leadership of the House's Committee on Energy and Commerce. In November, Rep. Waxman challenged and defeated the longtime chairman of this committee, Rep. John Dingell (D-Mich.). Rep. Waxman has been actively opposed to consumer marketing of prescription drugs, and is

likely to continue his efforts in this area in the next session of Congress.

Asked about the change in leadership on the Energy and Commerce Committee (which has oversight of the FDA), Davidson said he told a group of clients, "You have to understand that Rep. Dingell was criticizing prescription drug advertising long before Rep. Waxman started doing it...The one big difference (between the two representatives) is that we could not get Rep. Waxman to accept the proposal for an administrative process to review advertising backed up with civil monetary penalties to sanction false or misleading advertising. Rep. Dingell saw quickly how [the penalties] could be used by FDA to penalize bad advertising.

Perhaps a more critical issue for Davidson in the coming year will be the attempt to limit DTC by way of an advertising tax, or a change in government reimbursement policy for the drugs it purchases under various programs, including Medicare Part D.

**"You have to understand that Rep. Dingell was criticizing prescription drug advertising long before Rep. Waxman started doing it," Jim Davidson said.**

In 2009, legislation could be introduced that would change the way pharmaceutical manufacturers who advertise drugs are reimbursed by the government. Davidson noted that former Rep. Bill Thomas (now retired) proposed something along these lines a few years ago when he was chairman of the House's Ways and Means Committee. The Thomas proposal had three different options: No. 1, change the rate of reimbursement for drugs that are popularly advertised; No. 2, change the co-pay so that patients are discouraged from choosing drugs that are popularly advertised; and No. 3, the government could change the tax treatment for the business expense related to advertising drugs that are purchased under Medicare Part D coverage. "All of those were options that Rep. Thomas looked at, and he was a Republican," Davidson noted. "There's no reason to think that any of those options will be left on the table." ■

## Build a Career in DTC, Medical Advertising

A "little bit of luck and circumstance" helped Matt Giegerich get his start in the world of medical advertising. He subsequently built on that good fortune and teamed with the marketers at Schering-Plough to put together a campaign for Claritin that set the early standard for DTC advertising.

By Jennifer Haug



MATT GIEGERICH

Matt Giegerich, currently the president and chief executive of the healthcare marketing and advertising group CommonHealth, has a career spanning nearly two decades, and a record that's filled with numerous contributions to direct-to-consumer advertising, among other notable accomplishments.

For his long record of achievement in the consumer marketing of pharmaceutical products, DTC Perspectives in August named Giegerich and three other DTC pioneers to its new DTC Hall of Fame. The magazine's editors subsequently sat down with the Hall of Fame inductee to discuss his career and how he got started in the advertising and healthcare sectors.

Giegerich's career began as a "form of destiny, with a little bit of luck and circumstance," he recalled in the interview. As a young boy, he knew he wanted to be in the advertising business. He grew up admiring Darrin Stephens of the popular television show "Bewitched," about an advertising executive working in Manhattan. Loosely following in the footsteps of his TV idol, he began to pursue a career in advertising by securing an internship during his sophomore year of college at Dugan/Farley Communications, a healthcare advertising agency founded by a friend's father, Pat Dugan. That internship quickly presented Giegerich with the opportunity of a full-time position, and introduced him to his first professional mentor, Pat Dugan. Dugan's mentoring helped "lay the foundation" for Giegerich's career in pharmaceutical marketing.

After working at Dugan's firm for a few years, in 1991 Giegerich left to take a senior account executive role within Ferguson, part of Ferguson Communications Group [which, once merged with medical education group Health Learning Systems (HLS), would soon become the CommonHealth organization]. It was there where he found two additional

mentors, John Zweig, the company's president, and Tom Ferguson, the company's founder and chief executive. Giegerich said Zweig was important for helping to expand his horizons, which in turn helped him develop as a marketer, an agency person and a creative thinker. Ferguson, he said, gave him a "different perspective, one focused on the importance of establishing and cultivating relationships within the industry. Both were very important in helping me learn about the business of our business, especially during those early years."

A few years into his tenure at CommonHealth, he was tapped as an integral part of the team that would launch the allergy treatment Claritin, a campaign that included the first major broadcast television campaign targeted to consumers. Giegerich described it as a time "where the blockbuster drug era was just about to burst wide open. [With] big product introductions, targeting, mass markets – usually primary-care oriented markets – billion-dollar drugs were suddenly not only possible, but talked about and even expected from many manufacturers. Schering-Plough was of course one of them with the launch of the Claritin brand."

### A new level of consumer engagement

Schering-Plough and Claritin were in a good position in the marketplace. Some competitors had received black-box warnings on their products and consumers were looking for non-sedating antihistamines. Claritin was an approved, non-sedating antihistamine with a clean side-effect profile. And, perhaps most importantly, the Schering-Plough marketing mindset was "very aggressive, experimental and willing to try new things," Giegerich said. Other external factors in the marketplace helped Claritin grow, such as people being more proactive about managing their health and the rise of consumerization. This



presented new opportunities for marketers, allowing them to “reach and connect with consumers in a much more complete and targeted way,” he noted.

The new level of engagement attempted by Claritin was viewed a success. Those early campaigns, now simply considered “reminder ads,” created a “very clear, compelling promise” that helped convert users of over-the-counter remedies to a prescription medication, usually a difficult



Denise Campbell (right) of AstraZeneca presents Matt Giegerich of CommonHealth with his DTC Hall of Fame award.

feat. “It worked very well and the success followed quickly in terms of share and sales,” Giegerich said of the early Claritin consumer campaigns. “That fueled the company’s aggressiveness and willingness to experiment further.”

He added, “There was a brief period of experimentation with broadcast which yielded such immediate results that greater dollars were

poured into the media plan. Pretty soon we had a fairly massive, concurrent, integrated campaign on every front – print, radio, television, outdoor, relationship marketing and a beginning presence on the Internet.”

Once the FDA guidelines were changed in 1997 to allow claims-based advertising to be made in association with a brand name – and other brands (such as competing allergy treatments Allegra and Zyrtec) emerged in the market – Schering-Plough became even more competitive and committed to remaining the antihistamine frontrunner.

The Claritin brand team originally partnered with professional advertising agency Ferguson in the early to mid-1990s to help bring the drug to market. The consumer portion of the account was ultimately moved to sibling agency The Quantum Group, an off-shoot of Ferguson created in 1996 as the first stand-alone DTC agency, with Giegerich at its helm. The brand team for Claritin worked with a number of healthcare communications groups to continue its success – with Quantum handling the consumer marketing, Ferguson working on the professional marketing and HLS on the patient education platform. “It was really not just a good example of consumer marketing, but of fully integrated marketing on virtually every front,” Giegerich said. “It was one effort that, to this day, we are still very proud of as a kind of a forerunner to how a brand can be truly integrated across every audience and marketing channel.”



## “The right mix of talent, chemistry”

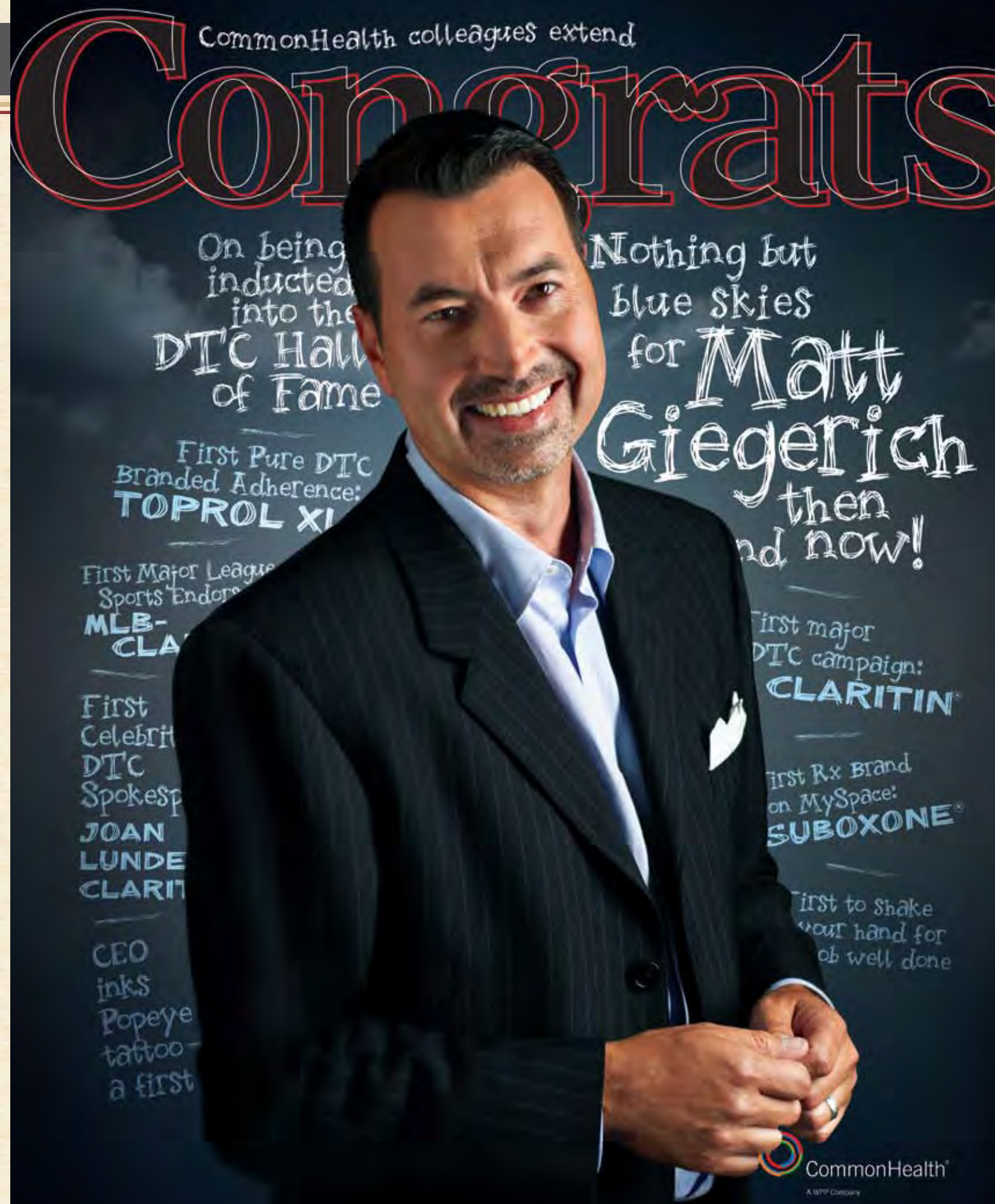
After heading The Quantum Group for two years, Giegerich helped re-launch and preside over The Xchange Group, a relationship marketing agency under the CommonHealth umbrella. He subsequently became one of three managing partners at CommonHealth before being named president and chief executive in 2000. During his career with CommonHealth, Giegerich was directly involved in launches for Avandia, Claritin, Crestor, Levitra, Symbicort and Elidel. He also helped in the campaign development for the Rx brands Ortho Evra, Aldara, NuvaRing and Fluvirin, as well as products from Myriad Genetics.

Giegerich is quick to share credit for his successes. He considers the executive team he works with now to be his greatest achievement. “It has been a constant journey looking for exactly the right mix of talent, chemistry and comradery. I feel like I’m at a point – and we’re at a point – where all of those things have never been better, or more aligned, inside this company. So for the moment, that is by far the thing I’m most proud of: recognizing how much of a journey it is to assemble a really, truly great team. To feel like I have had a hand in that is something I’m very proud of.”

While most chief executives in the WPP Group (the marketing services holding company that owns CommonHealth) typically hold their posts for two to three years, Giegerich has been proudly reporting to Sir Martin Sorrell for more than seven years. Even after such an accomplished record, Giegerich said he still tries to set new goals for himself and the agencies he oversees. With a mind that never rests, and a sincere drive to contribute in meaningful ways, Giegerich also said he would like to invent something that could one day prove beneficial to many. “Despite my best efforts at times, I’ve never been the type to be able to relax and shut off my mind. I’m always thinking “What if we did this? Or built that? Or started this?”

For those entering today’s DTC environment, Giegerich would advise that “consumerization is not a fad and it’s not subject to regulatory concerns. We should all feel, and I don’t mean this lightly, proud of the idea that what we’re doing is helping educate consumers and patients about their options in healthcare and in their pursuit in health and wellness.”

While the environment for the consumer marketing of pharmaceutical products will continue to fluctuate, Giegerich said he believes this form of communication meets a need and that “consumers need and want information. They deserve that information and they deserve it from a trusted source. [DTC], at its core, is helping people to fulfill their lives and can help them understand their healthcare options and motivated them toward even better choices.” ■





ED SLAUGHTER

## Setting the Standard for DTC Consumer Research

As consumer marketing of prescription drugs moved to the forefront in the late 1990s, Ed Slaughter helped launch the most important research on consumer attitudes toward this new form of advertising, with the annual *Prevention* study.

By Jennifer Haug

Ed Slaughter has always been fascinated by the impact of media and communication on public policy and public health. He focused his graduate work at the University of Maryland in the areas of health and political communication. “My interest in this work, this kind of communication goes back to those days and really originated out of an interest in media effects,” he explained in a recent interview. “I was interested in measuring the impact of the message, understanding its impact on public policy issues, and on public health. I wanted to know how public communication worked, and for health, why it so often didn’t.”

His work in market research eventually led to Rodale, its *Prevention* magazine business unit and the founding of the annual national survey of consumer attitudes toward pharmaceutical advertising, widely known as the *Prevention* study. These efforts were recognized by peers in the DTC community, and Slaughter was selected as an inaugural member of the DTC Hall of Fame, which DTC Perspectives launched in mid-2008.

Slaughter began his research career at the Gallup Organization, working on the Gallup Poll and conducting large scale surveys on health issues. His first boss at the Gallup Organization, Neil Upmeyer, was instrumental in his early career. Slaughter credits Upmeyer with being a visionary of that time, conducting research in the mid-late 1980s on the impact of managed care (HMOs and PPOs were in their infancy then), on the quality of care, and on the impact these new plans were going to have on the way physicians practiced medicine.

“All of the questions and issues we see unfolding now as they relate to health care in the United States, he was already thinking

about in the mid ‘80s. We crafted research to begin to establish the baseline measures around those topics,” Slaughter said. In a research study about divestment and apartheid, rather than only interviewing people in the U.S. or the white minority in South Africa, Upmeyer recognized the need to talk to the affected populations in that country. The Gallup team reported their findings to both the South African and U.S. governments, and to the public, about how divestment policies were viewed by the people they actually affected, and that they were actually trying to protect.

Slaughter said, “Working with someone that has that kind of vision, and that understanding how research done well could really affect policy and decision-making, and eventually, people’s lives left its mark. It was really, really a tremendous learning experience for me.”

Now, more than 20 years later and having been in the research field for nearly two decades, Slaughter has taken a position in the customer strategies and solutions group at Merck & Co’s U.S. human health division. He’s working to understand how the presentation of product benefits and risks in broadcast DTC affects consumer recall, how consumers experience the healthcare system and how those experiences influence their decisions about whether to use and remain adherent to prescribed therapies. Slaughter tries to help Merck develop new and innovative approaches to DTC advertising that will help consumers and their physicians make well-informed choices, and that will help consumers understand and adhere to prescribed therapies. Throughout his career, Slaughter’s research has always greatly benefitted a variety of industries, and pharmaceutical direct-to-consumer advertising is no exception.

After leaving the Gallup Organization, Slaughter worked for Princeton Survey Research Associates, which does much of the research for the PEW Research Center for the people in

the press. He then moved on to join Rodale in 1995. It was here, that Slaughter would create one of the industry’s most influential surveys, *Prevention* Magazine’s Annual Survey of Consumer Reaction to DTC Advertising.

Ken Wallace, former vice president publisher at *Prevention* Magazine – referred to as “the elder statesman of magazine publishing in the United States” by Slaughter – hired him to join the Rodale team. Watching Wallace prepare his sales force during a meeting one day, Slaughter realized that his role was “to raise, to elevate the relationship that we had with our advertisers and to provide them the types of information that they really needed to help make a day-to-day business decisions. My job wasn’t to provide them with a bunch of stuff about our readers. They could just as easily get that from their ad agencies. If they were going to take us seriously as business partners, we needed to bring them information that would drive their business – information they couldn’t easily get anywhere else. And so that’s the way Ken worked with me and the research, and that’s the way he worked with his team. It was a tremendous benefit.”

Bob Ziltz (left) of *Prevention* presents Ed Slaughter of Merck & Co. with his DTC Hall of Fame award.



Rodale had a history of doing national surveys on health issues and then doing longitudinal work to understand to what extent people were participating in preventative health behaviors, what influenced that behavior, and what impact it had on their health. Slaughter was fortunate enough to have been hired as the director of advertising and trends research, and director of market research for Rodale, leading the work for such aforementioned research projects.

In early 1997, Slaughter and his team recognized the emergence of DTC, as they saw more print advertising and non-branded reminder ads for prescription medicines and more people being proactive about managing their healthcare. This shift of the “traditional dynamic of the doctor prescribing the medicine was shifting. Consumers were taking a more active role, looking for information, and in a way were reversing the tables a little bit on their doctors. They were asking questions, and even requesting medicines,” he recalled.

Seeing this as an interesting phenomenon, the Rodale team decided to add questions on DTC to a national survey they were conducting to examine consumer choice of OTC products. Those first measures were taken in the spring of

1997, before the FDA’s draft guidance was issued. When the FDA heard news of this study, they became very interested in learning the results. After sharing the findings with such DDMAC team members as Nancy Ostrove, DDMAC and Slaughter’s team developed a relationship where DDMAC provided technical assistance in the development of each year’s survey. “That was the evolution of *Prevention* Magazine’s Annual Survey of Consumer Reaction to DTC Advertising. The surveys became a point of interest because there was a huge interest in this new channel to consumers, and it had a lot of implications for health policy moving forward,” Slaughter stated.

The annual national survey of U.S. adults had humble beginnings, but buzz quickly circulated around the industry. The results have continually countered prevailing negative opinion of DTC advertising, showing that consumers understand and equally value risk and benefit information about prescription drugs, as well as providing objective evidence of the value of DTC to public health. The study became so successful, that companies not only invited Slaughter and his team to present their findings, but many would even contact *Prevention* just to find out what questions were going to be asked in that year’s survey.

Slaughter found it to be particularly rewarding when research he had conducted, particularly his work with *Prevention*, was actually used by policy-makers and decision-makers in government. “I had a lot of conversations about *Prevention*’s work on OTC choice, use of herbal remedies and vitamin supplements, and other research, with people at GAO, and office of inspector general. It was really rewarding for me to have my research play an important role in policy outcomes, that I hope ultimately play a beneficial role in promoting public health, to help people make well-informed health decisions,” he added. “The same thing happens with the DTC research. The FDA really did use the results from this study to inform their thinking about this activity. So in a way, that’s hugely rewarding.”

Looking ahead, Slaughter said he would like to see, one day, a time when it is possible to “lay to rest this whole debate over DTC. And do it in a manner that is responsible and in a way that has regulatory authorities and people on Capitol Hill [able to] understand what DTC does and doesn’t do. This notion of all you have to do is show somebody a television ad and they run off and demand medicine grossly overestimates the effectiveness of the advertising. It’s wrong-headed and it ultimately damages the industry’s ability to communicate effectively about viable treatment options and, more importantly, for consumers to learn about them. I would like to see this resolved in a responsible way.” ■

## A Surprising Discovery Leads to a Marketing Career

An introductory marketing course put Len Tacconi on a career path in marketing that saw him join Merck at a time the pharma company began building its consumer marketing center of excellence, and along the way he has played a role in pioneering consumer marketing within the industry.

By Mark Tosh



LEN TACCONI

As a second-year student at St. John's University, Len Tacconi was fairly certain his career path would take him to law school. But he hit a detour in the person of a Harvard professor who had come to St. John's to teach business students about marketing. "He had been at Harvard for many years and we thought that it was odd that he would come over to St. John's, which was basically a commuter school in Jamaica, Queens," Tacconi recalled. "He made the topic so interesting that after that course, I switched majors and became a marketer – and I have been ever since."

He added, "It was just an introductory marketing course, but I had never really had any exposure to the topic. As part of my core curriculum, I had to take the introductory marketing course as a requirement, and it turned out to be my major and profession."

That was more than 30 years ago, and the routes that Tacconi has followed since his first marketing class at St. John's have been diverse, but have always focused on leading customers to take action. In October, his work as a pioneer in direct-to-consumer marketing of prescription drugs was rewarded with induction to the DTC Hall of Fame. Tacconi was among four executives named to the inaugural class of DTC Hall of Famers, by DTC Perspectives magazine.

### Introduction to direct marketing

The first stop for Tacconi after St. John's was the former Manufacturers Hanover Trust bank in New York City. There he worked his way into the staff marketing group, and became a brand manager on various products. "The most fun thing I did there was to help create what was then referred to as a branchless bank," he recalled. "We used direct marketing to solicit deposits across state lines at a time when the Glass-Steagall Act said you couldn't do that. A

bank couldn't put a branch in another state but you could solicit business in other states and book it into a branch in the state that it was licensed."

The effort included creating a back-office branch in Hicksville, Long Island, where the marketers created direct-marketing display ads, broadcast ads, and a telemarketing/customer service facility that was set up to handle the deposits from the new customers that Tacconi and his colleagues were seeking. "We were literally able to book deposits in all 50 states and 16 foreign countries," Tacconi said of the effort. "And we became the largest branch, from a deposit perspective, of the entire Manufacturers Hanover system... It was my first exposure to direct marketing and it started a long history with direct marketing that I have greatly enjoyed."

The effort was Tacconi's first taste of marketing success, "The funniest thing was when we first got started, we hadn't a clue as to how successful it would be," he recalled. After coming up with the "magic formula" for grabbing consumers' attention "we ran an ad in the Philadelphia Inquirer and other large city papers outside New York and literally got 50,000 accounts," he said. That was 50,000 pieces of mail in just a few days. "We were sitting there, with the little back-office that we had created, and it was like the flood gates had opened up," he added.

### Lessons in marketing at Weight Watchers

After five years of learning the basics of marketing at the bank, Weight Watchers International contacted Tacconi through a recruiter with a query about a new national marketing manager function. "I had no



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exposure to Weight Watchers prior to that,” Tacconi recalled, noting that he found the culture of Weight Watchers intriguing “because it was a blend of founders who were entrepreneurial franchisees who started the company...



Len Tacconi receives the Hall of Fame award from Deborah Dick-Rath of FactorTG.

and MBA-types like myself, who they wanted to infuse into the organization.” This was about the time that Heinz had purchased Weight Watchers, and the leadership was transitioning toward Heinz executives and away from original Weight Watchers people.

At Weight Watchers, Tacconi held a variety of roles, including chairing the franchise advertising and marketing council,

running a franchisee group in the St. Louis area and subsequently overseeing North American marketing for the corporate parent as vice president of marketing for North America.

### Making the move to Merck, DTC marketing

After a little more than a decade at Weight Watchers, an executive recruiter contacted Tacconi with details about a new position and function at Merck that involved building a consumer marketing center of excellence. “Merck had acknowledged internally that the DTC trend was going to be a big one and Merck, like most of the other companies, was trying to [accomplish this with internal executives] who really knew pharma, but didn’t know consumer marketing very well,” Tacconi said. “The thought process by a very insightful executive who hired me was why not bring in experts, incubate them inside the company, and then eventually we could diffuse them throughout the organization. I was privileged to start that group back in January of 1997.”

Among the executives recruited by Tacconi and his leadership team to staff the consumer marketing center of excellence are several who have gone on to be named Top 25 DTC Marketers of the year, including Matthew Arm, John Pirovitz, Peg Melanson, and Luis Lacouture. “It was a great cross-section of folks from a variety of consumer-packaged good firms and they were all brand-management type executives,” he said. This was

a change of thinking for Merck, which had thought it best to bring in communications experts from advertising agencies. “I rejected that idea because I wanted [the new recruits] to have a career within the company,” he said. “If I brought in marketers and trained them to do the communications and learn pharma, then

they would eventually go into brand management roles within the company. And all of them have, and they have done quite well.”

Tacconi said he believed from the beginning at Merck that DTC would become an important communication vehicle for the pharmaceutical industry and a widely accepted practice. “The early indications, especially with a lot of the disease-related and help-seeking advertising we had done at Merck gave me that confidence,” he said. “In those days when we were doing this work, we had a 40 percent share of the statin market with Zocor and Mevacor. At one point, it was probably even 50 percent, prior to Lipitor coming on the market. We were doing a lot of education around what hypercholesterolemia was and the response that we would get when we would offer patients the ability to learn more was amazing. We’d get thousands of calls from a campaign every week.”

Because of this success, Merck also chose a similar tactical approach with osteoporosis and Fosamax; and with protease inhibitors and Crixavan. “These were brand new categories that patients really wanted to learn more about,” he recalled. “By virtue of that, they were calling us in great numbers to get more information. I felt like we were really providing a true public service, and I still believe that’s the case.”

### Moving DTC into new areas of focus

Over the past decade, since the launch of product-claim broadcast television ads in 1997, DTC has become a lightning rod for all things connected to the pharmaceutical industry – even if it’s overall impact on the business is a small percentage of the total business. Tacconi said he believes that DTC “is unfairly being held up as a factor in increasing the cost of medicine. He believes pharma companies should become more involved with answering this question, and other questions, and trying to shine a new and different light on the industry.”

As an industry, we haven’t done as much work as I think we need to do to tell our story. From my work in reputation management, I learned that if we tell our story in credible ways – just providing facts without a whole lot of emotion – people will think better of us. This says to me that there’s a communications challenge that needs to be met, which is that we need to get our story told. In this environment, the only way I believe that the story is going to be told is if we do it ourselves.”

One solution to this, according to Tacconi, is for pharma companies “to get more active in partnering with our patient customers and being more patient-centric in the way we go about doing this work.” Patients need credible information, which means pharma must provide this information in a way patients can understand it and in a timely and effective manner. “That might be more work than we are typically used to,” Tacconi said. “It’s certainly more work than putting a 30-second ad on television.” ■

**Important Information:** You should not take LEN TACCONI if you are allergic to stimulating challenges and the pulse-raising effects of great marketing success.



It has been our distinct pleasure to have Len as our client for the past 10 years. We send heartfelt congratulations on his induction into the DTC Hall of Fame. We know firsthand that he has earned it. From his many friends at

